



U.S. Department of Justice

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May 25, 2006

EVENT: Indictment

Defendant: Judith Elaine Poe

**ROCHESTER HILLS BUSINESS OWNER ARRAIGNED
ON TAX EVASION CHARGES**

The owner of Midwestern Restoration and Waterproofing Contractors, Inc., was indicted and arraigned on May 24, 2006, on four counts of tax evasion, United States Attorney Stephen J. Murphy announced.

Murphy was joined in the announcement by Maurice Aouate, Special Agent In Charge of the Detroit Field Office of the Internal Revenue Service Criminal Investigation.

According to the indictment, between 1999 and 2002, Judith Elaine Poe was the owner, president and bookkeeper for Midwestern Restoration and Waterproofing Contractors, Inc. According to Michigan Department of Labor and Economic Growth, Midwestern Restoration is located in Rochester Hills, Michigan. Poe wrote corporate checks to herself or other nominees acting on her behalf and used the funds for her own personal use. She also made cash withdrawals from the corporate bank account. Poe attempted to hide the diversions of funds by failing to deliver the proper documentation to her accountant, preventing a complete and accurate personal tax return to be prepared. Poe also made various false statements to Special Agents with IRS Criminal Investigation division, claiming that she did not take any of

the diverted funds. Her diverted income cause a personal tax due and owing of approximately \$550,000 over a four year period.

“The Internal Revenue Service spends a great deal of its resources in identifying individuals who willfully and intentionally violate their known legal duty of voluntarily filing returns and paying the correct amount of income tax. We will continue to work with the United States Attorney to make sure that there are consequences to one's willful actions.” said Aouate.

A conviction of tax evasion carries a maximum penalty of 5 years imprisonment and a \$250,000 fine for each count.

An indictment is only a charge and is not evidence of guilt. A defendant is entitled to a fair trial in which it will be the government's burden to prove guilt beyond a reasonable doubt.

United States Attorney Murphy thanked the Internal Revenue Service Criminal Investigation for their investigation of the case. The United States was represented by Assistant United States Ronald W. Waterstreet.